

FAQs about the Nebraska Hemp Farming Act (LB657, 2019)

Q. How does the 2018 Farm Bill reference hemp?

A. The 2018 Farm Bill:

- Removes prohibitions on industrial hemp that had been in place since 1937;
- Removes hemp from the federal Controlled Substances Act; and
- Authorizes states to create hemp programs. [LB657](#), the Nebraska Hemp Farming Act, requires the Nebraska Department of Agriculture (NDA) to submit a regulatory plan to the U.S. Secretary of Agriculture by Dec. 31, 2019.

Q. In general, what does the Nebraska Hemp Farming Act (LB657) do?

A. LB657 allows for hemp cultivators and processors to apply for a licensing agreement from the Nebraska Department of Agriculture to grow, harvest, process and market hemp in Nebraska. With LB657, NDA has the authority to establish, operate and administer a hemp farming program which sets licensing and fee requirements and reporting and enforcement requirements.

Q. What is NDA's role in hemp farming?

A. NDA has a regulatory role limited to those who cultivate, process, and/or handle hemp in Nebraska.

Q. Does Nebraska have a state plan on hemp farming ready to submit to USDA?

A. NDA is waiting for additional guidance from USDA before developing a plan to ensure compliance with the 2018 Farm Bill.

Q. What specifically does LB657 require of applicants?

A. In order to qualify for a licensing agreement to cultivate hemp, applicants must:

- Be 18 years of age or older (for individuals);
- Submit criminal background check information stating that they have had no felony drug convictions in the last 10 years; and
 - We recommend obtaining a background check through the State Patrol, local Sheriff's office, or an accredited third party background check provider. We may require an additional background check, at the expense of the requestor, prior to issuance of a licensing agreement if the original results are not verifiable. The background check must cover any potential state and federal felony drug convictions for the last 10 years.
- Complete and submit an application.

If you are selected to receive a licensing agreement prior to it becoming effective you will need to:

- Pay appropriate fees:
 - Application Fee; if application is approved (\$100)
 - Site Registration Fee; if application is approved (Cultivator-\$400; Processor-\$800); NDA may also assess a \$50 site modification fee, if needed.

Q. How do I go about applying for a licensing agreement to cultivate hemp in 2019?

A. Any individual that wants to cultivate or process hemp in Nebraska in 2019 can apply for a licensing agreement through NDA. The licensing agreement application is available online: nda.nebraska.gov/hemp

***Submitting an application does not necessarily guarantee the issuance of a licensing agreement.**

Q. What information is required for the initial application?

A. In order to apply for a cultivator or a processor licensing agreement in Nebraska, applicants must include:

- Name, birthdate, address, email and phone number for applicant;
- A background check covering the last 10 years;
 - We recommend obtaining a background check through the State Patrol, local Sheriff's office, or an accredited third party background check provider. We may require an additional background check, at the expense of the requestor, prior to issuance of a licensing agreement if the original results are not verifiable. The background check must cover any potential state and federal felony drug convictions for the last 10 years.
- Proposed acreage or number of plants; and
- Include details of research purpose, goals and overview.
- Location site information (land must be in Nebraska): address, legal land description, GPS coordinates;
- Mapping of site information: entrances, field boundaries and specific GPS coordinates;
- Certification by applicant that he/she has complete control over the site;
- Allow NDA access to their site for inspections.

NDA may require additional information. You can find the application form with all of the required information at nda.nebraska.gov/hemp.

In addition, cultivator applicants must also:

- Allow NDA to sample hemp grown at least 30 days prior to harvest and submit to NDA-approved laboratory testing (at cultivator's expense) to determine that the plants contain less than 0.3% tetrahydrocannabinol (THC).

Q. What else do I need to do in order to be considered for a licensing agreement?

A. The completed application is only part of the licensing agreement process. Cultivator and processor applicants must also agree to:

- Comply with LB657;
- Destroy any hemp that violates the law;
- Understand risk, as there will be no compensation from NDA for any financial losses;
- Transport hemp alone; not with other plants;
- Transport hemp with licensing agreement and test results of less than 0.3% tetrahydrocannabinol (THC);
- Perform according to the application and licensing agreement; and
- Submit a research report to NDA by Nov. 30, 2019.

Q. Is there a limit to how many acres of hemp I can plant and receive a licensing agreement for?

A. You can apply for a licensing agreement to plant as many acres as you want. There is no guarantee that amount will be approved for cultivation.

Q. Does my hemp licensing agreement automatically renew?

A. For the 2019 growing season, all hemp licensing agreements will expire Dec. 31, 2019. Licensing agreements do not renew automatically. You will need to reapply for a hemp license annually by submitting a new application and applicable fees. A new application is required annually even if your information and registered land area stays the same.

Q. Can I start planting hemp after I have submitted my application, but before I have received my licensing agreement?

A. No. You need a signed licensing agreement to cultivate or process any amount of hemp in Nebraska, regardless of the size of the operation.

Q. How much are application and licensing fees?

A. In order to obtain a valid licensing agreement to cultivate or process hemp, applicants must pay appropriate fees:

- Application Fee of \$100; and
- Site Registration Fee (Cultivator—\$400; Processor—\$800);
- NDA may also assess a \$50 site modification fee, if needed.

***Do not pay fees until after you have been notified by NDA that you were selected for a licensing agreement.**

Q. Is there a deadline to apply for a licensing agreement?

A. Applications for 2019 licensing agreements must be received by the Nebraska Department of Agriculture by 5:00 p.m., Friday, June 28, 2019. Once your application is submitted, the information you give will need to be verified and sent for approval before a licensing agreement can be signed. A licensing agreement must be signed and in effect prior to planting. Please double check your application to make sure your information is complete and accurate so that there are no delays in the process. Submitting an application does not guarantee that you will receive a licensing agreement.

Q. How long will it take to get a licensing agreement to cultivate or process hemp?

A. NDA will review applications in the order they are received. Avoid delays by making sure your application is complete and accurate. Licensing agreements will be emailed as soon as the applications are approved. They will be sent to the email address listed on the application. The applicant must sign the agreement and return to NDA with the appropriate fees (application fee and site registration fee). Once the applicant and Director sign the licensing agreement, the agreement will be in effect and the cultivator/processor can begin operation. Submitting an application does not guarantee that you will receive a licensing agreement.

Q. Are there processes in place if hemp plants test at greater than 0.3% tetrahydrocannabinol (THC)? What happens then?

A. The use of any or a combination of the following options would be available and at NDA's discretion:

- Re-test the hemp crop;
- The crop or a part of it may be ordered by NDA to be destroyed by the owner;
- Terminate the licensing agreement; and/or
- Report to law enforcement intentional violations of the law.

Q. What are the zoning laws for industrial hemp in my county?

A. While you can register any land within the state of Nebraska with the NDA to cultivate hemp, local jurisdictions may have their own ordinances on land use. You are responsible for verifying local ordinances with anyone who may have jurisdiction over your land area (including, but not limited to your Home Owners Association, Landowner, City, Town, County etc.) prior to applying for a licensing agreement.

Q. Where can hemp seed be purchased?

A. Hemp seed must be purchased from a licensed seed dealer and must comply with the Nebraska Seed Law. Seed sources may apply for a seed permit here: nda.nebraska.gov/forms/plant.html.

Q. What pesticides can I use on my hemp crop?

A. Pesticides and pesticide use are regulated by NDA's Pesticide Program. Information regarding pesticides can be found on NDA's website at nda.nebraska.gov/pesticide. Because the U.S. Environmental Protection Agency does not allow for the use of any registered pesticide products on hemp, NDA prohibits the use of registered pesticides as well. There are products available that are exempt from EPA pesticide registration requirements because these products or the ingredients within them are considered minimum risk by EPA. Please refer to EPA's website to find more information. At this time NDA plans to create a list of minimum risk products that can be used on hemp as well as a guidance document for pesticide use on hemp in Nebraska. The list and guidance documents will be posted to the NDA website as soon as they are available.

Q. Are there any penalties for transporting hemp?

A. There could be. Any person other than a hemp cultivator or processor-handler who is transporting hemp must carry a bill of lading indicating the hemp's owner, its point of origin and its destination, as well as documentation affirming that it was produced in compliance with the law.

LB657 authorizes a peace officer to detain anyone carrying or transporting hemp in Nebraska if the person does not provide the required documentation outlined above. Failure to produce documentation could result in arrest of the individual and seizure of the substance. Any person intentionally violating the law would be guilty of a class IV misdemeanor and fined not more than \$1,000.

Q. Will there be a hemp commission in Nebraska?

A. LB657 creates a hemp commission, similar to the programs that aid in marketing commodities produced in the state. By statute, the commission is not to be formed until July 1, 2021.